OCEANAGOLD CORPORATION

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

THIRD QUARTER REPORT

SEPTEMBER 30, 2023

UNAUDITED

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at September 30, 2023

(in millions of United States dollars)	*Notes*	*September 30 2023 $*	*December 31 2022 $*
ASSETS			
Current assets			
Cash and cash equivalents		60.3	83.2
Trade and other receivables	6	30.4	34.1
Inventories	7	214.5	147.1
Current tax receivables		-	9.0
Prepayments		19.4	15.5
Total current assets		324.6	288.9
Non-current assets			
Trade and other receivables	6	107.4	97.1
Financial assets		0.6	0.6
Inventories	7	153.4	195.8
Deferred tax assets		39.7	47.4
Property, plant and equipment	8	733.1	772.8
Mining assets	9	1,003.7	888.0
Total non-current assets		2,037.9	2,001.7
TOTAL ASSETS		**2,362.5**	**2,290.6**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Trade and other payables		191.9	174.7
Employee benefits		21.0	18.0
Current tax liabilities		22.3	4.5
Interest-bearing loans and borrowings	10	29.7	28.8
Asset retirement obligations		1.9	3.6
Total current liabilities		266.8	229.6
Non-current liabilities			
Other obligations		1.0	2.5
Employee benefits		1.2	1.2
Deferred tax liabilities		29.7	32.1
Interest-bearing loans and borrowings	10	202.2	224.6
Asset retirement obligations		116.1	127.3
Total non-current liabilities		350.2	387.7
TOTAL LIABILITIES		**617.0**	**617.3**
SHAREHOLDERS' EQUITY			
Share capital	11	1,236.2	1,230.5
Retained earnings		457.2	369.5
Contributed surplus		70.4	71.1
Other reserves		(18.3)	2.2
TOTAL SHAREHOLDERS' EQUITY		**1,745.5**	**1,673.3**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**2,362.5**	**2,290.6**

On behalf of the Board of Directors:

Paul Benson
Director
October 25, 2023

Sandra M. Dodds
Director
October 25, 2023

The accompanying notes to the interim Condensed Consolidated Financial Statements are an integral part of these financial statements.

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the quarter ended September 30, 2023

(in millions of United States dollars, except per share data)		*Three months ended*		*Nine months ended*	
	Notes	*September 30 2023 $*	*September 30 2022 $*	*September 30 2023 $*	*September 30 2022 $*
Revenue	4	214.1	213.9	759.0	729.0
Cost of sales, excluding depreciation and amortization		(113.3)	(143.1)	(352.9)	(377.4)
Depreciation and amortization		(51.7)	(46.3)	(157.0)	(148.7)
General and administration - indirect taxes		(7.4)	(3.4)	(18.1)	(11.7)
General and administration - other		(16.9)	(12.3)	(53.9)	(37.9)
Additional Government Share	5	(13.9)	-	(13.9)	-
Operating profit		10.9	8.8	163.2	153.3
Other income/(expenses)					
Interest expense and finance costs	10	(5.0)	(1.9)	(16.0)	(5.6)
Interest income		0.6	0.3	1.3	0.5
Foreign exchange gain/(loss)		(3.4)	(15.7)	(8.7)	(30.5)
Gain/(loss) on disposal of property, plant and equipment		(0.3)	0.2	(1.0)	(0.1)
Write down of assets		-	-	-	(4.4)
Other income/(expense)		0.3	0.5	1.2	1.4
Profit before income tax		3.1	(7.8)	140.0	114.6
Income tax benefit/(expense)		(8.6)	1.4	(38.0)	(23.0)
Net profit/(loss)		**(5.5)**	**(6.4)**	**102.0**	**91.6**
Other comprehensive income/(loss)					
Items that have been/may be reclassified to profit or loss					
Currency translation gain/(loss)		(9.2)	(27.6)	(20.5)	(48.6)
Items that will not be reclassified to profit or loss					
Gain/(loss) on fair value of financial assets at fair value through other comprehensive income		(0.3)	(1.1)	-	-
Total other comprehensive income/(loss) net of tax		**(9.5)**	**(28.7)**	**(20.5)**	**(48.6)**
Comprehensive income/(loss) attributable to shareholders		**(15.0)**	**(35.1)**	**81.5**	**43.0**
		Millions	*Millions*	*Millions*	*Millions*
Weighted average number of common shares		707.4	704.2	706.6	704.2
Effect of dilution: Share options		16.2	14.5	15.1	13.6
Adjusted weighted average number of common shares		723.6	718.7	721.7	717.8
Net earnings/(loss) per share:					
- Basic		($0.01)	($0.01)	$0.14	$0.13
- Diluted		($0.01)	($0.01)	$0.14	$0.13

The accompanying notes to the interim Condensed Consolidated Financial Statements are an integral part of these financial statements.

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the quarter ended September 30, 2023

(in millions of United States dollars)	*Share Capital*	*Contributed Surplus*	*Other Reserves*	*Retained Earnings*	*Total Equity*
	$	*$*	*$*	*$*	*$*
Balance at January 1, 2023	**1,230.5**	**71.1**	**2.2**	**369.5**	**1,673.3**
Comprehensive income/(loss) for the period	-	-	(20.5)	102.0	81.5
Issue of shares (net of costs)	(0.2)	-	-	-	(0.2)
Employee share rights:					
Share based payments	-	12.2	-	-	12.2
Forfeiture of rights	-	(0.8)	-	-	(0.8)
Exercise of rights	5.9	(12.1)	-	-	(6.2)
Dividends provided for or paid	-	-	-	(14.3)	(14.3)
Balance at September 30, 2023	**1,236.2**	**70.4**	**(18.3)**	**457.2**	**1,745.5**
Balance at January 1, 2022	**1,230.7**	**63.9**	**17.3**	**236.9**	**1,548.8**
Comprehensive income/(loss) for the period	-	-	(48.6)	91.6	43.0
Issue of shares (net of costs)	(0.2)	-	-	-	(0.2)
Employee share rights:					
Share based payments	-	7.5	-	-	7.5
Forfeiture of rights	-	(2.0)	-	-	(2.0)
Balance at September 30, 2022	**1,230.5**	**69.4**	**(31.3)**	**328.5**	**1,597.1**

The accompanying notes to the interim Condensed Consolidated Financial Statements are an integral part of these financial statements.

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

For the quarter ended September 30, 2023

(in millions of United States dollars)	*Three months ended*		*Nine months ended*	
	September 30 2023 $	*September 30 2022 $*	*September 30 2023 $*	*September 30 2022 $*
Operating activities				
Net profit/(loss)	(5.5)	(6.4)	102.0	91.6
Charges/(credits) not affecting cash				
Depreciation and amortization expense	51.7	46.3	157.0	148.7
Net (gain)/loss on disposal of property, plant & equipment	0.3	(0.2)	1.0	0.1
Foreign exchange (gain)/loss	3.4	15.7	8.7	30.5
Stock based compensation charge	2.3	1.4	11.4	5.5
Amortization of transaction costs/ write off	0.1	0.2	0.3	0.6
Income tax expense/(benefit)	8.6	(1.4)	38.0	23.0
Non-cash finance costs	(1.0)	(1.4)	(1.0)	(4.4)
Write down of assets	-	-	-	4.4
Changes in working capital				
(Increase)/decrease in trade and other receivables	(5.3)	5.2	(8.4)	(10.6)
(Increase)/decrease in inventories	(11.7)	0.3	(15.0)	(10.7)
(Decrease)/increase in trade and other payables	17.6	(4.3)	1.9	3.5
(Decrease)/increase in other working capital	2.0	(10.4)	(6.5)	(13.7)
Net cash provided by operating activities	62.5	45.0	289.4	268.5
Investing activities				
Proceeds from sale of property, plant and equipment	0.3	0.4	5.4	0.7
Payment for property, plant and equipment	(9.4)	(10.4)	(31.6)	(24.0)
Payment for mining assets: exploration and evaluation	(4.0)	(2.8)	(8.2)	(9.0)
Payment for mining assets: development	(31.1)	(14.7)	(94.1)	(53.2)
Payment for mining assets: in production	(47.9)	(27.6)	(134.6)	(105.1)
Net cash used in investing activities	(92.1)	(55.1)	(263.1)	(190.6)
Financing activities				
Repayment of lease liabilities	(7.5)	(6.6)	(20.9)	(19.9)
Repayment of bank borrowings and other loans	(15.2)	(0.3)	(15.8)	(53.0)
Dividends paid to shareholders	-	-	(7.2)	-
Net cash provided by/(used in) financing activities	(22.7)	(6.9)	(43.9)	(72.9)
Effect of exchange rates changes on cash gain/(loss)	(2.0)	(3.0)	(5.3)	(7.8)
Net increase/(decrease) in cash and cash equivalents	(54.3)	(20.0)	(22.9)	(2.8)
Cash and cash equivalents at the beginning of the period	114.6	150.2	83.2	133.0
Cash and cash equivalents at the end of the period	60.3	130.2	60.3	130.2
Cash interest paid	(5.6)	(5.3)	(15.8)	(11.0)
Cash interest received	0.6	0.3	1.3	0.5
Income taxes paid	(4.0)	(4.7)	(4.3)	(9.8)

The accompanying notes to the interim Condensed Consolidated Financial Statements are an integral part of these financial statements.

1 BASIS OF PREPARATION

OceanaGold Corporation ("OceanaGold") ("The Company") is a company domiciled in Canada. It is listed on the Toronto Stock Exchange. The registered address of the Company is c/o Fasken Martineau DuMoulin LLP, 2900-550 Burrard Street, Vancouver, British Columbia V6C 0A3, Canada. The Company is the ultimate parent, and together with its subsidiaries, forms the OceanaGold Corporation consolidated group (the “Group”).

The Group is engaged in the exploration, development and operation of gold and other mineral mining activities. OceanaGold operates one open cut gold mine and three underground mines in New Zealand. The Group also operates one open cut gold mine at Haile in South Carolina, United States and an underground operation at Didipio in the Philippines.

The Group prepares its unaudited interim condensed consolidated financial statements in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”), as applicable to the preparation of interim condensed consolidated financial statements including IAS 34. The policies applied are based on IFRS issued and outstanding as of the day the Board of Directors approved the statements. These interim condensed consolidated financial statements do not include all of the notes of the type normally included in an annual financial report and hence should be read in conjunction with the Group’s annual financial statements for the year ended December 31, 2022, as they provide an update of previously reported information.

These interim condensed consolidated financial statements are expressed in United States dollars which is the presentation currency for OceanaGold.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except as noted in Note 2 below.

The unaudited interim condensed consolidated financial statements were approved by the Board of Directors on October 25, 2023.

2 ACCOUNTING POLICIES

Accounting standards effective for future periods

The following accounting policy is effective for future periods.

Amendments to IAS 1 - Non Current liabilities with covenants

The amendments issued in October 2022 clarify that covenants of loan arrangements which an entity must comply with only after the reporting date would not affect classification of a liability as current or non-current at the reporting date. However, those covenants that an entity is required to comply with on or before the reporting date would affect classification as current or non-current, even if the covenant is only assessed after the entity’s reporting date.

The 2022 amendments introduce additional disclosure requirements. When an entity classifies a liability arising from a loan arrangement as non-current and that liability is subject to the covenants which an entity is required to comply with within twelve months of the reporting date, the entity shall disclose information in the notes that enables users of financial statements to understand the risk that the liability could become repayable within twelve months of the reporting period, including:

(a) the carrying amount of the liability;
(b) information about the covenants;
(c) facts and circumstances, if any, that indicate the entity may have difficulty complying with the covenants. Such facts and circumstances could also include the fact that the entity would not have complied with the covenants based on its circumstances at the end of the reporting period.

The amendment is effective for annual reporting periods beginning on or after January 1, 2024. The Group will apply the amendment accordingly when effective and does not currently expect any material impact of this amendment.

There are no other IFRS or IFRIC interpretations that are not yet effective and that would be expected to have a material impact on the Group.

3 CRITICAL ESTIMATES AND JUDGEMENTS

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Areas of estimates and judgement that have the most significant effect on the amounts recognized in the financial statements are disclosed in Note 3 of the Company's consolidated financial statements for the year ended December 31, 2022.

4 REVENUE

	Three months ended		Nine months ended	
	September 30 2023 $m	*September 30 2022 $m*	*September 30 2023 $m*	*September 30 2022 $m*
Gold sales				
Bullion	152.9	160.4	567.7	534.8
Concentrate sales	38.2	30.0	110.5	105.9
Provisional price adjustment	(1.7)	(1.2)	(0.3)	(0.2)
	189.4	189.2	677.9	640.5
Copper sales				
Concentrate sales	27.1	26.4	86.1	95.3
Provisional price adjustment	(1.1)	(0.6)	(1.1)	(2.0)
	26.0	25.8	85.0	93.3
Silver sales				
Bullion	3.0	2.5	9.5	7.7
Provisional price adjustment	(0.1)	-	(0.1)	-
	2.9	2.5	9.4	7.7
Less concentrate treatment, refining and selling costs	(4.2)	(3.6)	(13.3)	(12.5)
Total Revenue	214.1	213.9	759.0	729.0

Provisionally Priced Sales
At September 30, 2023, the provisionally priced gold, copper and silver sales for 13,749 dry metric tonnes of concentrate containing provisional estimates of 17,014 ounces of gold, 2,935 tonnes of copper and 33,807 ounces of silver, subject to final settlement, were recorded at average prices of $1,894/oz, $8,107/t and $23/oz, respectively.

5 ADDITIONAL GOVERNMENT SHARE

	Three months ended		Nine months ended	
	September 30 2023 $m	*September 30 2022 $m*	*September 30 2023 $m*	*September 30 2022 $m*
Additional Government Share	13.9	-	13.9	-

The Didipio Project is held under a Financial or Technical Assistance Agreement (“FTAA”) entered into with the Republic of the Philippines in June 1994. The FTAA had an initial term of 25 years and became renewable on same terms and conditions for another period of 25 years in June 2019. On July 14, 2021, the Philippine Government confirmed the renewal of the FTAA for an additional 25-year period, commencing June 19, 2019, with the execution of the FTAA Addendum and Renewal Agreement.

Under the addendum and renewal agreement of the FTAA under which the Company’s Didipio mine in Philippines operates, the Philippines government is entitled to the Additional Government Share which is equal to 60% of the Net Revenue of the mine less taxes and fees paid to the government after the Company’s recovery of the development expenditure, capped at 5 years from the start of commercial production (April 1, 2013) and allowing for the amortisation of unrecovered pre-operating costs across a fixed period of 13 years which started in 2021.

Under the FTAA, “Net Revenue” is the Gross Mining Revenues derived from operations, less Allowable Deductions.

Allowable Deductions under the FTAA are expenses which are attributed to exploration, development and actual commercial production which includes, expenses relating to mining, processing, exploration, capitalised pre-stripping, royalties, rehabilitation, marketing, administration, depreciation and amortization and interest charged on borrowings. Per the renewal terms, an equivalent of an additional 1.5% of gross revenue is to be allocated to community development and is considered an allowable deduction under the fiscal terms of the FTAA.

5 ADDITIONAL GOVERNMENT SHARE (CONTINUED)

All taxes and fees paid to the Philippines Government (including corporate income tax and indirect taxes such as excise, local business, property and withholding taxes) are then deducted from the calculation of the 60% of Net Revenue to arrive at the Additional Government Share.

During the quarter ended September 30, 2023, an initial recognition of the Additional Government Share liability has been recorded on a life to date basis and will be payable within 4 months after year end, accordingly classified as a current liability.

6 TRADE AND OTHER RECEIVABLES

	September 30 2023 $m	*December 31 2022 $m*
Current		
Trade receivables	22.0	24.2
Other receivables	8.4	9.9
	30.4	34.1
Non-Current		
Other receivables	107.4	97.1
	107.4	97.1

Trade Receivables includes amounts receivable from sale of gold-copper concentrate in Philippines.

Other receivables mainly consist of $63.9 million (December 31, 2022: $55.0 million) input tax credits and $27.9 million (December 31, 2022: $27.9 million) excise tax. Of these amounts, input tax credits of $42.7 million (December 31, 2022: $42.7 million) and excise tax of $22.1 million (December 31, 2022: $22.1 million) are subject to ongoing legal proceedings relating to their recoverability. These proceedings are at various stages, with the timing of final resolution uncertain and as such they are classified as Non-Current. Should any of these legal proceedings be unsuccessful, this may result in a non-cash charge to the Consolidated Statement of Comprehensive Income of amounts ruled unrecoverable. Notwithstanding the foregoing, VAT and excise duties are recoverable under the terms of the FTAA agreement with the Government of the Philippines. The remainder of Other Receivables related to deposits at bank in support of environmental bonds.

The Group has issued bonds in favour of various New Zealand authorities (Otago Regional Council, Dunedin City Council, Waitaki District Council, West Coast Regional Council, Buller District Council and Department of Conservation) as a condition for the grant of mining and exploration privileges, water rights and/or resource consents, and rights of access for the Macraes Gold Mine and the Globe Progress Mine at the Reefton Gold Project which amount to $47.9 million (December 31, 2022: $35.5 million). Cash payments on these bonds would only be paid if the Group did not meet its obligations.

7 INVENTORIES

	September 30 2023 $m	*December 31 2022 $m*
Current		
Gold in circuit	24.2	14.9
Ore	95.1	46.1
Gold on hand	1.2	5.5
Gold and copper concentrate	5.6	4.7
Maintenance stores	88.4	75.9
	214.5	147.1
Non-Current		
Ore	153.4	195.8
	153.4	195.8
Total inventories	367.9	342.9

7 INVENTORIES (CONTINUED)

There was no inventory written down for the three months and nine months ended September 30, 2023 (for the year ended December 31, 2022: $12.5 million).

Total ore inventory that was held at net realizable value amounted to $49.1 million as at September 30, 2023 (December 31, 2022: $49.1 million).

8 PROPERTY, PLANT AND EQUIPMENT

	September 30, 2023			
	Land	**Buildings**	**Plant and equipment**	**Total**
	$m	*$m*	*$m*	*$m*
Net book value				
At December 31, 2022:				
Cost or fair value	59.6	104.5	1,564.8	1,728.9
Accumulated depreciation and impairment	-	(46.6)	(909.5)	(956.1)
At December 31, 2022	59.6	57.9	655.3	772.8
Movement for the period:				
Additions	-	-	51.3	51.3
Movement in economic assumptions	-	-	(6.5)	(6.5)
Transfers	-	0.1	7.3	7.4
Disposals/write-off	-	-	(6.4)	(6.4)
Depreciation charge	-	(4.1)	(73.1)	(77.2)
Foreign exchange movements	(1.9)	(0.7)	(5.7)	(8.3)
At September 30, 2023	57.7	53.2	622.2	733.1
At September 30, 2023:				
Cost or fair value	57.7	103.2	1,571.4	1,732.3
Accumulated depreciation and impairment	-	(50.0)	(949.2)	(999.2)
	57.7	53.2	622.2	733.1

Plant and equipment includes right-of-use assets (leased assets) net of accumulated depreciation of $88.1 million (December 31, 2022: $95.3 million). $72.6 million (December 31, 2022: $78.9 million) of the right-of-use assets are pledged as security for lease liabilities (Note 10). Additions to the right-of-use assets for the nine months ended September 30, 2023 were $17.6 million (for the year ended December 31, 2022: $13.0 million).

The following table shows the movements in the net book value of right-of-use assets for the nine months ended September 30, 2023:

	September 30, 2023			
	Properties	**Vehicles and Machinery**	**Other plant and equipment**	**Total**
	$m	*$m*	*$m*	*$m*
Net book value				
At January 1, 2023	0.9	80.2	14.2	95.3
Additions	2.1	15.5	-	17.6
Depreciation	(0.5)	(19.4)	(1.6)	(21.5)
Transfers	-	(1.1)	-	(1.1)
Disposals/write-off	-	(0.7)	-	(0.7)
Foreign exchange movements	(0.1)	(0.7)	(0.7)	(1.5)
At September 30, 2023	2.4	73.8	11.9	88.1

9 MINING ASSETS

	September 30, 2023			
	Exploration and evaluation phase	**Development phase**	**In production phase**	**Total**
	$m	***$m***	***$m***	***$m***
Net book value				
At December 31, 2022:				
Cost or fair value	113.2	173.8	2,021.7	2,308.7
Accumulated amortization and impairment	(5.8)	-	(1,414.9)	(1,420.7)
At December 31, 2022	107.4	173.8	606.8	888.0
Movement for the period:				
Additions	8.2	95.6	150.4	254.2
Transfers	(29.2)	(15.4)	37.2	(7.4)
Amortization for the period	-	-	(110.5)	(110.5)
Foreign exchange movements	(4.2)	(3.1)	(13.3)	(20.6)
At September 30, 2023	82.2	250.9	670.6	1,003.7
At September 30, 2023:				
Cost or fair value	82.2	250.9	2,150.8	2,483.9
Accumulated amortization and impairment	-	-	(1,480.2)	(1,480.2)
	82.2	250.9	670.6	1,003.7

The recovery of the costs deferred in respect of exploration and evaluation expenditure is dependent upon successful development and commercial exploitation of the respective areas of interest. The mining assets under development mainly included the Golden Point Underground Project at Macraes Gold Mine in New Zealand, the underground operations and development projects at Didipio Mine in the Philippines, and the underground surface work, water treatment expansion, PAG development and the tailings facility lift construction at the Haile Gold Mine in the United States of America.

10 INTEREST-BEARING LOANS AND BORROWINGS

	September 30 2023	*December 31 2022*
	$m	*$m*
Current		
Lease liabilities (1)	28.7	27.7
US$ banking facilities (2)	1.6	1.6
Unamortized transaction costs (3)	(0.6)	(0.5)
Net US$ banking facilities	1.0	1.1
	29.7	28.8
Non-Current		
Lease liabilities (1)	64.1	70.7
US$ banking facilities (2)	138.2	154.4
Unamortized transaction costs (3)	(0.1)	(0.5)
Net US$ banking facilities	138.1	153.9
	202.2	224.6

10 INTEREST-BEARING LOANS AND BORROWINGS (CONTINUED)

(1) *Lease liabilities*
Lease liability is measured at the present value of the fixed and variable lease payments net of cash lease incentives that are not paid at September 30, 2023. Lease payments are apportioned between the finance charges and reduction of the lease liability using the incremental borrowing rate implicit in the lease where available or the Group's incremental borrowing rate to achieve a constant rate of interest on the remaining balance of the liability.

The Group has provided guarantees for certain mobile mining equipment leases entered into by the controlled entities. At September 30, 2023, the outstanding rental obligations (including finance charges) under these leases (which excluded any non-mobile mining equipment leases) amounted to $83.8 million (December 31, 2022: $94.7 million). Associated with these guarantees are certain financial compliance undertakings by the Group, including gearing covenants. The Group is in full compliance with these covenants as at September 30, 2023.

(2) *US$ banking facilities*
On December 16, 2020, the Group amended its loan facility with the Group’s bank group to increase its overall credit facilities to $250.0 million and extended the maturity date for the overall credit facilities to December 31, 2024. The facilities are with a multi-national group of banks. At September 30, 2023, the amount drawn under the credit facilities was $135.0 million.

On May 6, 2020, the Group entered into a new $10.0 million fleet facility arrangement with a financial institution for mining equipment financing. On December 16, 2020, the Group amended this fleet facility arrangement to decrease its credit facility to $9.7 million. At September 30, 2023, the amount drawn under the fleet facility was $4.8 million.

At September 30, 2023, total facilities (including the above fleet facility) drawn was $139.8 million (December 31, 2022: $156.0 million). Associated with these facilities are certain financial compliance undertakings by the Group, including gearing covenants. The Group is in full compliance with these covenants as at September 30, 2023.

(3) *Unamortized transaction costs*
Represents the unamortized portion of upfront fees and other costs incurred in amending US$ banking facilities. These fees are being amortized to reflect an approximate pattern of consumption over the terms of the facilities.

Finance costs

Interest expense and finance costs related to the interest-bearing loans and borrowings for the three months ended September 30, 2023 was $6.0 million (September 30, 2022: $3.3 million) and for the nine months ended September 30, 2023 was $17.0 million (September 30, 2022: $10.0 million).

Assets pledged

As security for the Group’s banking facilities, the Group’s bank group have been granted real property mortgages over titles relevant to the mines in the New Zealand and United States of America (Note 12 total segment assets). They also have the ability to enter into real property and chattel mortgages in respect of the Didipio mine, and be assigned the FTAA, subject to the requirements of applicable laws. Furthermore, certain subsidiaries of the Group have granted security in favour of the bank group over their assets which include shares that they own in various other subsidiaries of the Group.

11 SHARE CAPITAL

Movement in common shares on issue

	September 30 2023 Million shares	*September 30 2023 $m*	*December 31 2022 Million shares*	*December 31 2022 $m*
Balance at the beginning of the period	704.2	1,230.5	704.2	1,230.7
Shares issued (net of costs)	-	(0.2)	-	(0.2)
Rights exercised	3.2	5.9	-	-
Balance at the end of the period	707.4	1,236.2	704.2	1,230.5

Common shares holders have the right to receive dividends as declared and, in the event of the winding up of the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Common shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

Common shares have no par value and are all fully paid. The Company has not established a maximum number for authorized shares.

The Company has share rights schemes under which rights to subscribe for the Company’s shares have been granted to executives and management.

12 SEGMENT INFORMATION

The Group's operations are managed on a regional basis. The three reportable segments are New Zealand, the Philippines and the United States of America. The business segments presented below reflect the management structure of the Group and the way in which the Group's management reviews business performance. The Group sells its gold bullion to a mint and a refiner in Australia, a refiner in the United States of America and a central bank in the Philippines, and sells its gold-copper concentrate to a commodity trader in Singapore. Gold bullion is produced in New Zealand, the Philippines and the United States of America and gold-copper concentrate is produced in the Philippines.

	New Zealand	Philippines	United States	All other segments	Elimination	Total
Quarter ended September 30, 2023	$m	$m	$m	$m	$m	$m
Revenue						
Sales to external customers	87.8	80.4	45.9	-	-	214.1
Inter segment management and gold handling fees	-	-	-	6.3	(6.3)	-
Total segment revenue	87.8	80.4	45.9	6.3	(6.3)	214.1
Profit/(loss)						
Segment profit/(loss) excluding depreciation and amortization	32.1	20.4	19.0	(12.3)	-	59.2
Depreciation and amortization	(24.2)	(12.4)	(14.8)	(0.3)	-	(51.7)
Inter segment management and gold handling fees	(2.7)	(1.7)	(1.9)	-	6.3	-
Total segment profit/(loss) before interest and tax	5.2	6.3	2.3	(12.6)	6.3	7.5
Net interest expense						(4.4)
Income tax (expense)/benefit						(8.6)
Net profit/(loss) for the period						(5.5)

12 SEGMENT INFORMATION (CONTINUED)

	New Zealand	Philippines	United States	All other segments	Elimination	Total
Nine months ended September 30, 2023	$m	$m	$m	$m	$m	$m
Revenue						
Sales to external customers	267.7	261.2	230.1	-	-	759.0
Inter segment management and gold handling fees	-	-	-	19.1	(19.1)	-
Total segment revenue	267.7	261.2	230.1	19.1	(19.1)	759.0
Profit/(loss)						
Segment profit/(loss) excluding depreciation and amortization	103.6	108.6	136.8	(37.3)	-	311.7
Depreciation and amortization	(46.8)	(39.0)	(70.1)	(1.1)	-	(157.0)
Inter segment management and gold handling fees	(8.3)	(5.1)	(5.7)	-	19.1	-
Write down of assets	-	-	-	-	-	-
Total segment profit/(loss) before interest and tax	48.5	64.5	61.0	(38.4)	19.1	154.7
Net interest expense						(14.7)
Income tax (expense)/benefit						(38.0)
Net profit/(loss) for the period						102.0
Assets						
Additions to property, plant, equipment and mining assets for the nine months ended September 30, 2023*	108.5	14.1	180.3	2.6	-	305.5
Total segment assets as at September 30, 2023	634.9	708.4	997.3	21.9	-	2,362.5

* Included additions to right-of-use assets of $17.6 million (Note 8).

12 SEGMENT INFORMATION (CONTINUED)

	New Zealand	Philippines	United States	All other segments	Elimination	Total
Quarter ended September 30, 2022	$m	$m	$m	$m	$m	$m
Revenue						
Sales to external customers	73.8	70.3	69.8	-	-	213.9
Inter segment management and gold handling fees	-	-	-	5.8	(5.8)	-
Total segment revenue	73.8	70.3	69.8	5.8	(5.8)	213.9
Profit/(loss)						
Segment profit/(loss) excluding depreciation and amortization	4.4	23.6	21.3	(9.2)	-	40.1
Depreciation and amortization	(9.5)	(12.5)	(24.0)	(0.3)	-	(46.3)
Inter segment management and gold handling fees	(2.4)	(1.5)	(1.9)	-	5.8	-
Total segment profit/(loss) before interest and tax	(7.5)	9.6	(4.6)	(9.5)	5.8	(6.2)
Net interest expense						(1.6)
Income tax (expense)/benefit						1.4
Net profit/(loss) for the period						(6.4)

12 SEGMENT INFORMATION (CONTINUED)

	New Zealand	Philippines	United States	All other segments	Elimination	Total
Nine months ended September 30, 2022	$m	$m	$m	$m	$m	$m
Revenue						
Sales to external customers	244.8	236.2	248.0	-	-	729.0
Inter segment management and gold handling fees	-	-	-	18.0	(18.0)	-
Total segment revenue	244.8	236.2	248.0	18.0	(18.0)	729.0
Profit/(loss)						
Segment profit/(loss) excluding depreciation and amortization	56.4	112.8	130.8	(27.2)	-	272.8
Depreciation and amortization	(44.1)	(36.8)	(66.7)	(1.1)	-	(148.7)
Inter segment management and gold handling fees	(7.8)	(4.5)	(5.7)	-	18.0	-
Write down of assets	(3.3)	-	-	(1.1)	-	(4.4)
Total segment profit/(loss) before interest and tax	1.2	71.5	58.4	(29.4)	18.0	119.7
Net interest expense						(5.1)
Income tax (expense)/benefit						(23.0)
Net profit/(loss) for the period						91.6
Assets						
Additions to property, plant, equipment and mining assets for the nine months ended September 30, 2022*	102.4	10.9	91.8	1.5	-	206.6
Total segment assets as at September 30, 2022	531.3	762.1	888.3	15.8	-	2,197.5

* Included additions to right-of-use assets of $8.1 million (Note 8).

13 STOCK-BASED COMPENSATION

(a) Performance share rights plan

The following table reconciles the outstanding rights granted under the performance share rights plan at the beginning and the end of the period:

	September 30 2023	*December 31 2022*
	No.	**No.**
Outstanding at the start of the period	14,118,205	14,799,223
Granted	6,984,163	4,922,625
Forfeited	(803,603)	(2,437,628)
Expired	-	(3,166,015)
Exercised	(4,096,816)	-
Balance at the end of the period	**16,201,949**	**14,118,205**
Exercisable at the end of the period	**-**	**-**

The performance share rights outstanding at September 30, 2023 had a weighted average remaining life of 1.6 years with an exercise price of zero.

Performance Rights granted to Designated Participants may from time to time vest when the Company meets target milestones for the applicable performance period, in accordance with the vesting schedule established at the time of grant by the Board. The vesting percentage varies according to the Designated Participants' job levels with upside opportunity of up to 200% of target, and depends on the performance of the company relative to peers (TSR) and against absolute internal goals. Upon vesting, the Performance Rights are payable partly in shares and partly in cash at the discretion of the Board.

In 2023, the 2020 Performance Rights Plan vested at 152.8%. Settlement was partly in shares and partly in cash. As a result, the number of Performance Share Rights exercised does not tie to the number of shares issued following vesting of the share rights (Note 11).

(b) Deferred Unit Plan ("DUP")

The following table reconciles the outstanding deferred units granted under the deferred unit plan at the beginning and at the end of the period:

	September 30 2023	*December 31 2022*
	No.	**No.**
Outstanding at the start of the period	758,686	596,501
Granted	223,521	313,110
Exercised	-	(150,925)
Balance at the end of the period	**982,207**	**758,686**
Exercisable at the end of the period	**-**	**-**

The fair value of the units granted under the DUP is calculated as the future cash flow and it is remeasured at each reporting date and at the date of settlement. Any changes in fair value are recognized in the Statement of Comprehensive Income for the period with a corresponding increase or decrease in liability. At September 30, 2023, the fair value of the units was $1.9 million and $1.9 million was expensed.

14 COMMITMENTS

Capital commitments

At September 30, 2023, the Group has commitments of $11.0 million (December 31, 2022: $30.9 million), principally relating to the purchase of property, plant and equipment at Macraes, Waihi and Haile, and the development of mining assets at Macraes, Waihi and Didipio.

The commitments contracted for at reporting date, but not provided for:

	September 30 2023 $m	*December 31 2022 $m*
Purchase of property, plant and equipment	3.6	17.4
Development of mining assets	7.4	11.2
Leases not yet commenced	-	2.3
	11.0	30.9

15 RELATED PARTIES

There were no significant related party transactions during the period.

16 CONTINGENCIES

(a) A wholly owned subsidiary of the Company is party to an addendum agreement with a syndicate of original claim owners, led by Mr J. Gonzales, in respect of a portion of the FTAA area (“Addendum Agreement”). Certain disputed claims for payment and other obligations under the Addendum Agreement made by Gonzales are subject to arbitration proceedings, which are presently suspended due to the irrevocable resignation of the arbitrator. Mr. Gonzales passed away in late 2014. Further, a third party is also disputing Mr. Gonzales’ interest in the Didipio Project. The Company is awaiting on the outcome of any determination or settlement negotiation between the Estate of Mr. Gonzales and the third party disputor.

(b) The Department of Environment and Natural Resources of the Philippines (“DENR”), along with a number of mining companies (including OceanaGold (Philippines) Inc.), are parties to a case that was filed in 2008 whereby a group of Non-Governmental Organisations ("NGOs") and individuals challenged the constitutionality of the Philippines Mining Act (“Mining Act”), the FTAAs and the Mineral Production Sharing Agreements (“MPSAs”) in the Philippines Supreme Court. After some years of slow development, the case proceeded to oral hearing in 2013 and is currently awaiting decision from the Supreme Court.

Notwithstanding the fact that the Supreme Court has previously upheld the constitutionality of both the Mining Act and the FTAAs, the Company is mindful that litigation is an inherently uncertain process and the outcome of the case may adversely affect the operation and financial position of the Company. At this stage, it is not possible to identify the potential orders of the Court nor to quantify the possible impact. The Company is working closely with the DENR, the other respondents in the case, and the mining industry to defend the Mining Act and the validity of its FTAA.

(c) The Group has contingent liabilities under contracts, guarantees and other agreements arising in the ordinary course of business on which no loss is anticipated. Bonds have been issued in favour of various New Zealand authorities (Minister for Land Information, Hauraki District Council, Waikato Regional Council and Department of Conservation) as a condition for the grant of mining and exploration privileges, water rights and/or resource consents, and rights of access for Martha mining that amount to $43.1 million (December 31, 2022: $42.2 million).

The Group has also issued bonds in favour of Otago Regional Council, Dunedin City Council, Waitaki District Council, West Coast Regional Council, Buller District Council and Department of Conservation in New Zealand as a condition for the grant of mining and exploration privileges, water rights and/or resource consents, and rights of access for the Macraes Gold Mine and the Globe Progress Mine at the Reefton Gold Project which amount to approximately $47.8 million (December 31, 2022: $35.5 million). Cash payments on these bonds would only be paid if the Group did not meet its obligations.

16 CONTINGENCIES (CONTINUED)

(d) The mine operating permit at Haile which became final and effective during the first quarter of 2015 included a schedule for estimated financial assurance of $65.0 million over the mine life consisting of $55.0 million in surety bonds or other mechanisms and $10.0 million in an interest bearing cash trust. The Company's permit was modified and updated in December 2022 with the approval of the Company's Supplemental Environmental Impact Statement application and reclamation plan. The updated permit changed the total estimated financial assurance to $123.8 million over the mine life consisting of $103.8 million in surety bonds and a $20.0 million interest bearing cash trust. The Company has satisfied its current financial assurance payment requirements by using a surety bond of $77.6 million and has paid $5.0 million in trust funding by the end of September 2023.

The remaining estimated financial assurance of $15.0 million will be paid over the life of the mine with the next financial assurance payment of $2.8 million by December 2023. The timing and amounts of these payments could change due to a number of factors including changes in regulatory requirements, changes in scope and timing of closure activities. The State of South Carolina in the United States of America requires financial assurance for the estimated costs of mine reclamation and closure, including groundwater quality protection programs.

The surety bond and other financial assurance must be maintained in force continuously throughout the life of the mining operation and may only be released, partially or in full, after the State of South Carolina approves its release.

17 EVENTS OCCURRING AFTER THE REPORTING PERIOD

There have been no material subsequent events that have arisen since the end of the financial period to the date of this report that have not otherwise been dealt with.